11 March 2015
ASX ANNOUNCEMENT

WINWIN UPDATE – MT GOLD CONV NOTES SOLD AND LIABILITY REDUCED BY 50%

On 5 January 2015, Stratum Metals Limited (ASX:SXT) (**Stratum**) announced that it had executed an exclusive option agreement to acquire 100% of the issued capital in emerging US based technology company, WinWin Holdings Pty Ltd (ACN 164 148 270) (**WinWin**). The 5 January 2015 announcement set out the full key acquisition terms, details of the initial capital raising, ASX listing rule issues, indicative timetable and capital structure plus background information on WinWin.

Since the announcement on 5 January 2015, the following updates have been provided:

- On 15 January 2015 Stratum announced that two of the various key acquisition terms have been completed, being the $400,000 initial capital raising (by Stratum) and the payment of a $75,000 option facilitation fee to WinWin.

- On 2 March 2015 Stratum announced that it had issued a Notice of Exercise of Option to WinWin, which also triggers the official due diligence period of 28 days, noting that the due diligence was well underway.

- On 5 March 2015 Stratum announced proposed additions to the Board of Directors of Stratum upon completion of the WinWin transaction.

- On 10 March 2015 Stratum announced that WinWin had formed an International Advisory Board to provide expert advice to further support its commercial objectives.

Mountain Gold Convertible Notes

1,350,000 convertible note were held by Mountain Gold International, each with a face value of $1.00 ("**MG Notes**"). Stratum is pleased to advise that the MG Notes have been assigned to other parties. The assignment including varying some of the key terms and conditions of the Notes (subject to shareholder approval), including:

- The face value of the Notes has been reduced (from $1.00) to $0.50, resulting in a reduction of the liability in Stratum's accounts (from $1.35m to $675,000).
- Automatic conversion of the Notes upon completion of the WinWIn acquisition, or repayment within six months, whichever occurs earlier.
- Note conversion = one share plus one option for every two shares issued. Shares converted at 80% of the price of the capital raising conducted concurrently with the WinWin acquisition. Options exercisable at $0.02 and expiring on or before 29 February 2016.

Stratum Metals Limited ACN 147 867 301
Level 5, 10 Market Street (GPO Box 2676) Brisbane QLD 4001
Ph +61 7 3212 6230 | Fax +61 7 3212 6250
ASX Code: SXT | www.stratummetals.com.au

- Interest calculated at 1.0% per month and paid in shares with a deemed price of $0.01 per share.

The Board is very pleased that the Mt Gold Notes have been sold and that the new convertible note holders have agreed to a reduction in the liability by $675,000 (subject to shareholder approval). The sale provides an indication of the strong level of support for the proposed WinWin acquisition.

Stratum is continuing to progress other key acquisition terms, including (but not limited to) due diligence on WinWin's business and operations, preparation of shareholder meeting materials and prospectus. Further updates will be provided as key milestones are achieved.

EMPG Royalty Financing Mandate

On 5 January 2015, Stratum announced that it had signed a mandate to appoint RRT Management Pty Ltd to introduce royalty finance provider(s) to raise $1.8 million in the Company's 100% owned subsidiary, Menzies Goldfield Ltd (**Mandate**). The Mandate was for a 90 day period and has now expired.

The Board is continuing to evaluate alternative initiatives to progress the Company's East Menzies Goldfield Project (**EMGP**).

For further information, please contact Stratum's company secretary on +61 7 3212 6230.

On behalf of the Board
DP Cornish
Company Secretary